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External Communications Audit for the Ministry of Trade

Indonesia Trade Assistance Project (ITAP)

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Foreword

In achieving the company goals, the company needs a strategy and consistent coordination between the every unit in each agency working in the environmental institutions through communication activities. Public Relations Bureau of Ministry of Trade play a very important role in designing a communication program aimed to improve the services quality to external stakeholders, especially the public of Ministry of Trade. To see which programs and communications activities of institutions that have already run well and fulfill all the needs and expectations, evaluation and monitoring of external communication activities are needed to be done.

This problem encourages Indonesia Trade Assistance Project - United State Agency for International Development (USAID-ITAP) in collaboration with the Center for Communication Studies Department of Communication Studies FISIP UI to examine the "External Audit Communication Ministry of Trade." Implementation of the research was done in June 2009 against the businessmen and trade policy taker through the survey and depth interviews. Regional research was conducted in 4 (four) major cities in Indonesia, namely Jakarta, Medan, Bandung, and Surabaya. Through the results of research activities, the Center for Communication Studies provides recommendations as expected input which can improve and develop the trade sector programs through effective communication strategy.

The implementation of the field research cannot be done well without the assistance of the ITAP USAID and the Ministry of Trade, which is intensively follow process from the beginning. For that, Center for Communication Studies Department of Communication Studies FISIP UI would gratefully say thank you for the assistance and the seriousness of the institution in doing this research. Thanks also to our research team who had done the field research very well.

Depok, August 11th 2009
Center for Communication Studies
Department of Communication
Studies
University of Indonesia
Head,

Lilik Arifin

Executive Summary

Based on the results of the survey data against the 13 aspects of the External Communication Audit of the Ministry of Trade include: Licensed Trade Affairs, Foreign Trade License, Distribution Trade, Export Price Determination Benchmark, Benchmarks Price Determination Import, Production Protection In the Country, Products In Use Affairs, Consumer Protection, Control of Goods and Services, Improved Power Export Competitiveness, Food Price Stability, Development Other Sectors to Improve Global Trade and Public Service in the Field of Trade analysis results show that:

- **Based on Cognition, Affection, and Conative Mean**

The data results show that from 320 respondents obtained a picture where the respondent's highest cognition average value for the 13 aspects of the Ministry of Trade External Communications Audit reached 4.35 value in the aspect Protection on Domestic Product, while the lowest are on the Determination of Export Price Benchmarks with mean 3.62. In the highest affection dimension, the highest mean for 3.58 is found on Increase of the Domestic Product Usage, while the lowest cognition average value is found in the aspect Ease Permit Obtain Foreign Trade with a mean value of 3.09. Meanwhile, the conative highest average value is found in the aspect Increase of Domestic Products Usage. Then, the lowest cognition average value found in the aspect Ease Permit Obtain Foreign Trade with a mean value of 2.72.

The high public perception on the protection and domestic product usage, both at the cognition and affection level, then Ministry of Trade need to develop these aspects to be the priority aspect icon. Both of these aspects can be used as excellent program of Ministry of Trade in carrying the trade sector. To change public attitudes and behavior, the dissemination and socialization of domestic product usage should not stop at the national campaign, but resumed with the socialization that is local.

- **Based on the Cognition, Affection, and Conative Mean in Region**

The overall data processing obtained from the respondents show that the respondent cognition average value for the 13 aspects of the Ministry of Trade External Communications Audit in four regions is 4.043.

The cognition average value concluded that the high awareness of stakeholder to the Ministry of Trade is important to deal with the 13 aspects. The cognition average value between the survey areas is not much different. The lowest value is 3.9385 for Medan and is 4.1394 for Bandung. This shows that the uniformity of cognition value in each region.

In Affection dimensions, the average value of the 13 aspects of External Communications Audit in the four areas reached 3.3637. This shows that the stakeholders hold that the Ministry of Trade is quite good in running its programs. There are significant differences in the affection average value, where 2.9625 for Medan and 3.1231 for Surabaya. This indicates that the affection value is less evenly in each area. The stakeholders' affection level in Surabaya is higher than the other three survey areas. In other words, the performance level of the Ministry of Trade is assessed higher in Surabaya.

Meanwhile, the respondent conative average value of the 13 aspects of the Ministry of Commerce External Communications Audit is 2.96. That value is the conative average value of from four survey regions. The respondent conative average value is still not good enough. It means, the value that describes the Ministry of Trade performance in 13 aspects of the audit is considered sufficient by the stakeholders. There are significant differences in the conative average value, where 2.7837 for Medan and 3.6279 for Jakarta. This indicates that the conative value is less evenly in each area. The stakeholders' level of conative in Jakarta is higher than the other three survey areas. In other words, the policy and the Ministry of Trade program give more influence on the stakeholders who live in Jakarta.

Perception is built from the stage cognition, affection, and conative. The process provides output in an image form of object. Perceptions can be used as indicators or assessments against the image of an institution/agency (Ministry of Trade). Quantitative results of this research show the mean value in the lower stages of the process of formation of each perception. From the four area of research, the cognition mean value is 4.043, affection 3.3637, and conative 2.9603. Stakeholder's awareness or knowledge of the Ministry of Trade policies and programs are quite good, followed by the attitude/opinion that is quite good, but the stakeholders have a less responsive perception of the performance of the Ministry of Trade.

- **Media accessibility**

Percentage of the quantitative data on media information that are accessed by respondents to obtain information on 13 Aspect of the Ministry of Trade External Audit show that the most widely used media by public to learn about some aspects of trade are concentrated on the three media channels, such as: Television, Newspapers and the Internet. Although in some aspects, there are a little differences in the assessment value, but these three line media channels are still surpass other media, namely the selection of television media 28.81%, newspaper 24%, and internet 10.3%. Public also felt that the three media channels are deemed as the most effective medium for dissemination and socialization, ie, selected television 38.12%, newspapers 21.43%, and the Internet 9.96%.

The Research quantitative data is also strengthened by the qualitative data that shows socialization and dissemination of information on the trade sector are concentrated in television, the Internet, and newspapers. The three media are deemed as the most effective in delivering the message. However, the Ministry of Trade must do it in media mix, so that it could be through some mediums. Television has the effectiveness in shaping the experience and effects on the social reality which is perceived to the audience. These advantages occur because television news has more images which are believe to be more capable to construct the impression

than just words. The same thing also happens in television, where television is the most effective media in delivering the message.

The Internet is considered to be more effective in information dissemination and socialization, because internet is still considered as the most effective and the cheapest media. While print media is considered not only have direct effects on individuals, but also affect the culture, collective knowledge, norms, and values of a society. Mass media can also deliver some images, ideas, and evaluation for the audience that can be made as a behavior reference. Therefore, the audiences become depending on the mass media as a source of information for knowledge of, and orientation to, and what happens in the community.

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CHAPTER I INTRODUCTION

1.1. Rational Background

Ministry of Trade has an important role in improving the economy of Indonesia, especially in the trade field. With the vision of *“Realization of trade sector as the main factor to increase the nation competitiveness and Indonesian people welfare”*, Ministry of Trade is charged to be able to optimize the trade sector to intensify its role.

There are at least four main roles which carried out by Ministry of Trade as reflected in its mission, among them are: (1) improve the distribution smoothness, domestic product usage, consumer protection, and trade security; (2) maximize the benefit of Indonesia’s global trading competitiveness; (3) create a good public service and good governance; (4) enhance the role of research and development.

Short-term strategy used in Ministry of Trade in anticipating and extending various constraints which are and will be faced in this free global trade era, among them: First, to lower the high economic cost (to simplify administration documents, improve inventory transparency, and evaluate the trading regulation, including Perda). Second, to expedite flow of service by increasing the distribution efficiency. Third, to improve the competitiveness of export commodities and to give supports for other sectors development (agriculture, forestry, mining, and industry sectors). Meanwhile in long-term, Ministry of Trade is striving to realize good environment in trade field which can push the sustainable competitiveness, facilitate the flow of goods, support the increased control of design and technology, job creation and increase the economic growth to improve the welfare of the people.

The implementation effort of such strategies is quite appropriate, especially in facing the rapid growth of technology where information hold a very important role in supporting the global trade. Moreover, the society now has already media literacy

awaked to the various information needed by them. Due to that, the effort to pay close attention to the communication roles becomes an important point in accelerating the trading activity locally and globally.

As a public service-oriented institution, Ministry of Trade should have been properly prepared the newest information that the society needs, whether policy related information, programs, activities, and other information. It is not surprising if the Ministry of Trade is strived to be fast and accurate in giving information about the society needs through media, including new media like internet. The optimization in every institution activities, not only inside but also outside, is commonly used by Public Relation unit or Corporate Communication. Therefore, the role of Ministry of Trade's public relation becomes personal needs so that create a good communication and information in an effort to expedite the trading activities.

Based on that, Ministry of Trade did a research to evaluate the role of its public relation, especially the evaluation of external public perception which is related to the communication activities and trade information sector.

1.2. Research Problem

In order to optimize the role of its public relation, Ministry of Trade has powerful and reliable strategies in facing the globalization and economic liberation. The only problem is, has Ministry of Trade maximized its communication and information roles by using various media? How the external public assessed the Ministry of Trade's public relation performance especially and Ministry of Trade itself generally in performing its roles and functions?

1.3. Research Objectives

The main purposes of this evaluation are:

1. Knowing the external public's level of understanding against the performance of

Ministry of Trade public relations, including the existence, role, and communication media used in supporting the performance.

2. Summarize the respondents/informants' expectations on the lack of role that is run by Ministry of Trade during the time against its stakeholders (public).
3. Compiling recommendations that can be used by Ministry of Trade to support its communication strategies.

1.4. Research Expectation

The result from this evaluation research is a document that contains:

1. Illustration of Ministry of Trade external public's level of perception.
2. Summary of respondents' expectations about Ministry of Trade performance.
3. Recommendations which can be used to initiate the preparation of communication strategy.

CHAPTER II CONCEPTUAL FRAMEWORK

This research used three main concepts, which are: (1) Communications Audit concept, (2) Perception concept, and (3) Public Relations concept.

2.1. Communications Audit

Communication audit is a review of communication activities in one institution, including the type of communications activities, how the activities/communication program are executed, the budget that has been issued, and whether the communication activity has been run as planned. Communication audit itself can be either internal, external, or a combination of internal and external.

The understanding of other communication audit concept states that the implementation of the audit is focused on the communication messages sent by an organization and its other components of the message presented. The Public Relation Division may be able to control all the messages issued by the institution, but not be able to control the messages that appear as feedback from other parties to the institutions that represented as a message from consumers, competitors, and other stakeholders.

PR Audit is study of internal and external audience relationship as a research tool used specifically to describe, measure and assess an organization's public relations activities and to provide guidelines for future public relations programming(Simon in: Public Relations Campaign and Technique,p-87)

Meanwhile, Jane Gibson and Richard Hodgetts (1991) in their book *Organizational Communication: A Managerial Perspective*, stated:

The communication audit is a complete analysis of an organization's internal and external communication systems. Depending on the mandate and interests of top management, it can range from consideration of a single division to the entire organization climate.

From the above definition, it can be concluded that the audit requires the analysis of communication systems in the internal and external areas of organization, and analytics on one of the division or to the entire organization based on the needs and desires of the summit leadership. Audit communication itself can be implemented internal, external or internal and external. For this communication audit research is limited on the external areas of Ministry of Trade.

The purpose of the communication audit can be seen from the definition presented by Anthony Booth (1988) in his book titled *The Communication Audit: A Guide for Managers* as follows:

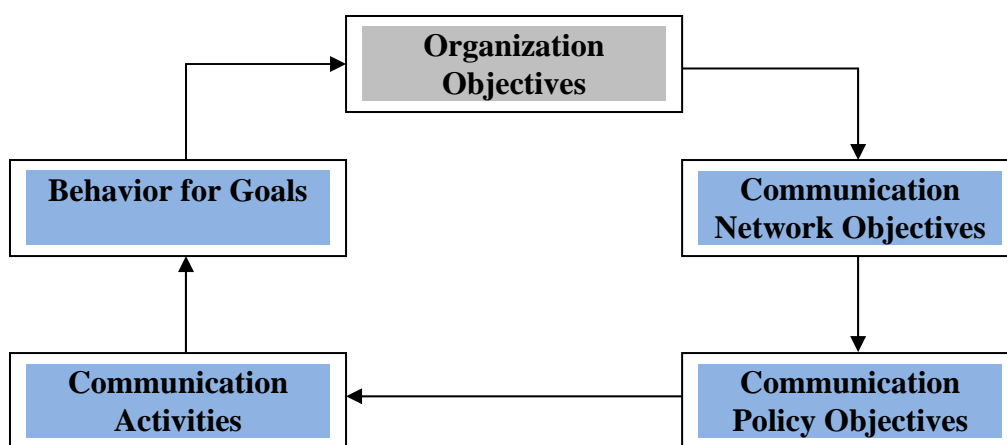
The process whereby the communications within an organization are analyzed by an internal or external consultant, with a view to increasing organizational efficiency. (Andre Hardjana, Audit Communications: Theory and Practice, p. 10-11).

Based on the conceptual model structure that is found by Howard Greenbaum (1974), there are three things which are worthy to be noted in the communication audit, that are: the functional relationships, personal characteristics, and situational factors. Those functional relationships include internal organizational structure, the processes of operational work, and external contacts. Personal characteristics associated with the technical and managerial skills, communication skills, motivational elements, and relations between personals including the style of leadership. Situational factors include many things, among them: various beliefs, values, how to work ethos, harmony, the working spirit, attitude to changes, people's customs, and the influence of environment, and also various constraints that limit the behavior.

Through understanding, especially on the functional relationships in an organization, the influence between the purposes of the communication network of the organization's goals can be observed, which in turn affects the performance of the organization, which is in the form of productivity. If the organization's policy that has been developed in a different functional network communication, it will result in communication activities that are different. As a result, communication activities will not result in achievement of goals or policies of the organization.

For further discussion about the relevance or influence of communication goals and objectives of the organization, it can be described in the diagram on the flow chart of the relationship was the influence of the determination of organizational goals (business goals), and developed in the purpose of communication, creating a communications policy - *as the strategic plan of functional communications network* - to achieve the special objectives of the communication through communication activities, which will create the occurrence of appropriate behavior or not in accordance with the purpose of communication is expected. Organization's goal is achieved when policy goals are reflected in communication behaviors that occur as described in the chart below:

Chart 1 . Relevance Communication and Organization Objective



Source: Howard Greenbaum, 1974.

Thus, the communication audit is not only viewed on the messages that corporate rose, however more extensive communications audit is aimed to see;

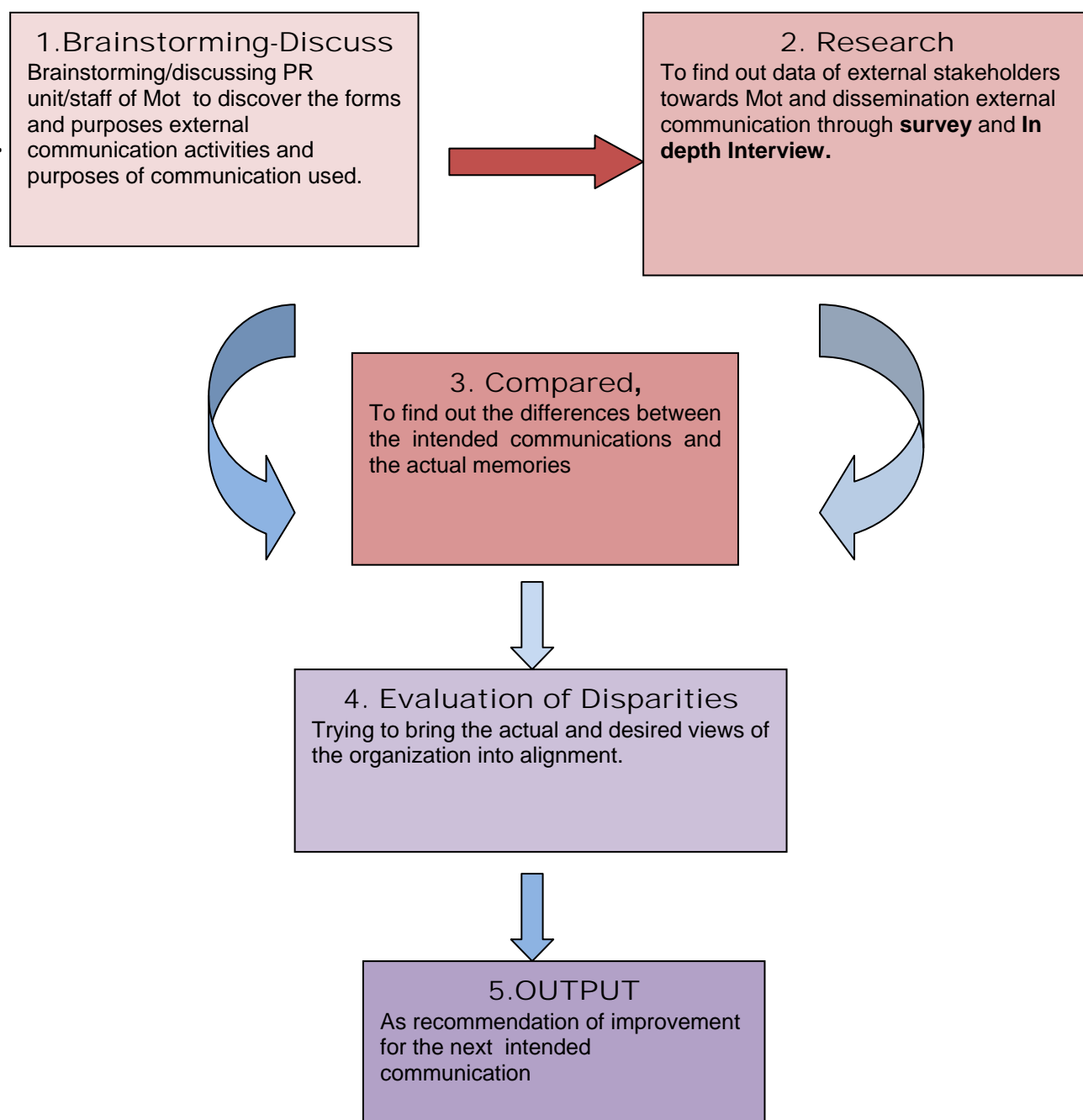
1. The amount and type of messages received and sent by variety of public to one institution.
2. Access messages in the public context of how the organization is seen and adjusted with the group's organization.
3. Compare the message sent and received by the organization with a message from the other external.

In doing the communication audit, there are several stages that must be passed, namely:

1. Starting from the internal by conducting interviews with members of the organization, particularly with the management to obtain variety of communication data used and the purpose of communication used by the organization. The main focus is what form of communication that is sent out and to get the opinions from each stakeholder on the organization.
2. Collecting data from all the stakeholders of the communication events received and sent, including the contents of messages and channels used.
3. Comparing two devices messages to get the differences of the data between the intended communications with actual memories. There are messages that are considered important by the sender, but not exactly understood by the recipient. This gap needs to be clarified.
4. Conducting fitness between the actual data findings with the organization pattern of views before. If there is a difference which is large enough, the organization has to reconsider the purpose of communication, which is adjusted to the perception of stakeholders based on the result of audit research. (Stepsof the communications audit :<http://www.audiencedialogue.net/consensus.html>).

The stages of audit communication above can be described in the form of a chart as follows:

Chart 2. Stages of Audit Communication



To see the impact of various communication programs that have been done by the organization to external and internal public, the main concept used is "the concept of perception."

2.2. Perception

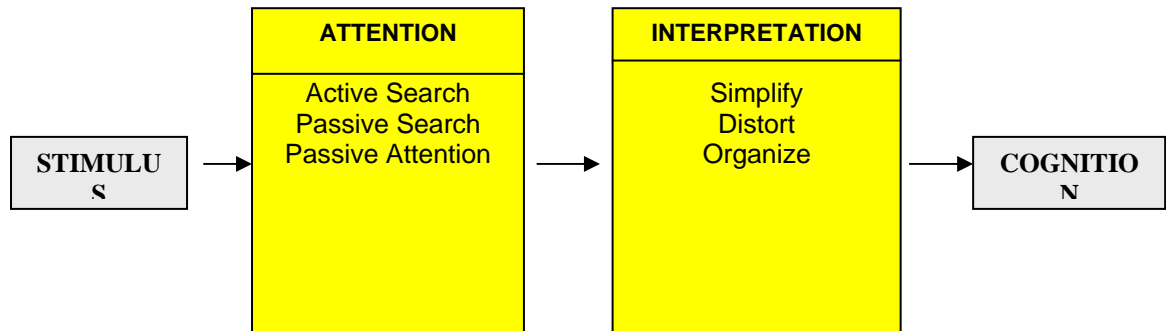
Perception is a mental impression formed by the individual against the organization based on the experiences. The mental process itself is classified in three stages, namely cognition, affection and conation. Perceptions of an organization can come from internal and external public. From the public, among them are external customers, suppliers, shareholders, media, in charged government, which all of them hold an important role in shaping the institutional image.

The concept of perception is used to see the extent to which stakeholders aware, behave and act/access the communication events that effect by an institution (Ministry of Trade), both in the conventional media and in the internet media and communication activities as the Ministry of Trade performance supporter.

According to David A. Aaker, perception is defined as *"the process by which an individual maintains contact with his environment"* and Aaker also said that *"the process whereby an individual receives through the various stimuli and interprets them Senses"* (Rajeev Batra, John G. Myers, and David A. Aaker, *Advertising Managemen*: 1996, p. 220.).

The description of perception concept above can be seen in the chart below

Chart 3. Perception Process

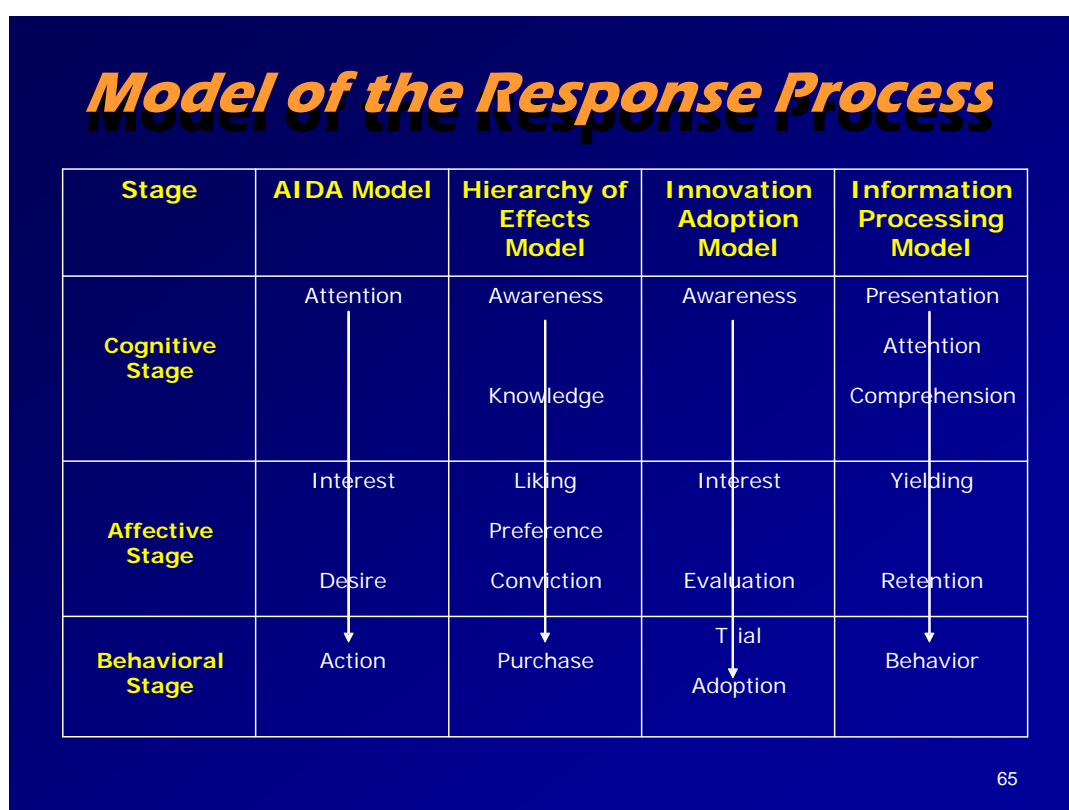


Source : Rajeev Batra, John G. Myers, and David A. Aaker, 1996.

The process of perception is a two phases conceptual series , namely the existence of attention (attention) and interpretation (interpretation or comprehension) of the target audience of the stimulus that allows cognition to be formed . Attention is a filter for a message to be accepted or not, while a further interpretation as a process of understanding the message. Interpretation is influenced by the condition of individual recipients of the message, which allows the occurrence of simplification (simplify), changes or irregularities (distort), and organize (organize) the reference in the imagination.

This perception process will be used as the basic idea to monitor the stakeholders' responses to the communication programs in organization. As reference, the next will be described or clarify the definitions and dimensions of each stage in the process model of responses follows.

Chart 4: Model of the Response Process



The perception process is the first stage of the responses occurrence from the public or target audience of an organizational communication program that is introduced. Response is a recipient's reaction to the message of what they see, hear, or read. (George E. Belch and Michael A. Belch, Advertising and Promotion: An Integrated Marketing Communications Perspective, Sixth Edition, (NY: McGraw-Hill Inc., 2004), p.145). A number of audience response model has been developed by various experts, which is compiled based on the stages receiving messages from the cognition, affection, and stage conation or behavioral stage. It is assumed that the reception process begins with the level of understanding (knowledge), and then create the attitude, and will encourage the occurrence of actions (Practice).

One of the traditional stage model of response which is considered to be the best, is the one which is developed by Robert Lavidge and Gary Steiner as a paradigm in the

measurement the communication purposes, referred to *the Hierarchy of Effects Model*. This model divide cognition into sub-dimensions (awareness) and knowledge, the affection is divided into phases like (liking), select (preference) and sure (conviction), and conation stage is seen as an action (action).

Through aggregation or synthesis of the process of perception theory and response phases of the model (*the Hierarchy of effects model*) of Lavidge and Steiner, it can be used as basic evaluation of audience responses to the communication program that has been introduced, especially in the process of perception (attention and interpretation), and cognition and affection stages as the impact (effects) that occur.

2.3. Public Relations

According to Cutlip, Center and Broom (2000) in *Effective Public Relations*, public relations is defined as:

Public relations is the management function which evaluates public attitudes, identifies the policies and procedures of an individual or an organization with the public interest, and plans and executes a program of action to earn public understanding and acceptance.(Scott M. Cutlip, Allen H. Center, and Glen M. Broom, *Effective Public Relations*, Eight Edition, p. 4.)

Based on the definition, there are two activities in the public relations, that is, first perform management functions, namely to evaluate the attitude (external) and to understand the internal conditions (policies and procedures), to be developed in a planned program, to gain an understanding and acceptance from stakeholders. Both are executing programs that have been planned, so that the expected impact can be achieved in a certain period of time, which can be observed from the evaluation of the responses that occur on the stakeholders.

Various types of public relations tools can be used as a tools for message delivery and corporate message penetration and product execution or tactics in a public relations program, such as the press conference, special events, news releases, direct mail, audio-visual media, interactive media, and the like. The best way to do the communication media categorization and tactics are to consider the difference between the type of media that will be used in a program. Ronald D. Smith in his book *Strategic Planning for Public Relations* divide communications tactics to into four categories, namely:

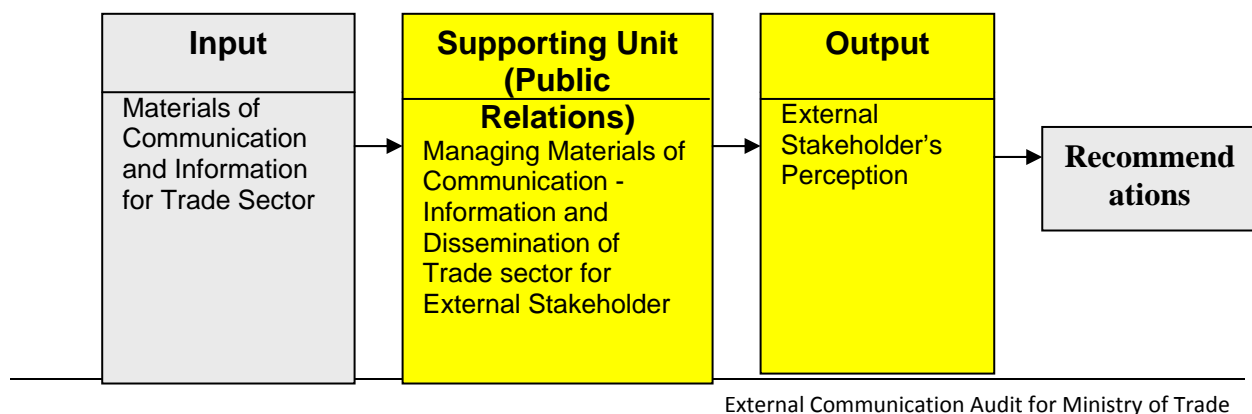
- *Interpersonal communication*, through face-to-face communication to create the involvement and interaction with the target audience.
- *Organizational media*, is a publication or production of the organization, which can control the content of messages included in the case of the time, packaging, and distribution.
- *News media*, to seek opportunities as a means of presentation that can be trusted for organization messages on the wide target audience.
- *Advertising and promotional media*, is a media that can be controlled, generally the media outside the organization, also to reach a wide target audience.(Ronald D. Smith, *Strategic Planning for Public Relations*, Second Edition, 2005, p. 159.)

Simultaneously, those four categories will be able to create hundreds of tactics, different communication tactics. Each can be used by organizations to communicate with its public, although not all the tools are suitable to be used. Organization need to select the suitable combination of tools in accordance with the program objectives and target audience who want to achieve. Meanwhile, as the target audience, the audience in the public relations are classified into internal and external publics, including media, community, employees, government (executive), legislative, judiciary, voters, consumers, environmentalists, minorities, students, faculty, financial community, or the shareholders and donors (James E. Grunig and Todd Hunt, *Managing Public Relations*, 1984 p. 221).

Some tool in public relations, which are generally focusing on mass media as the main tool in the delivering message in the target audience. Those communication devices are very varied, including: the press conference, news releases, press kits, publications, annual reports, corporate issue, or advocacy advertising, films and videos, displays, public tours, media tours, media events, Speeches, meetings and video conference, websites and e-mail, and others. The type of activity performed, such as publicity, media relations, corporate communication, employee relations, financial or investor relations, and crisis management (Tom Duncan, *Principles of Advertising & IMC*, Second Edition 2005 p. 544).

2.4. Theoretical Model

Chart 5. Theoretical Model of Communication Audit



CHAPTER III

RESEARCH METHODOLOGY

3.1. Research Approaches

Methodologically, this research will use combination of two research approaches, namely quantitative and qualitative approaches. Quantitative approach is used to find a general level of perception of some respondents against Ministry of Trade roles. While the qualitative approach will be used to make a confirmation and more detailed elaboration of a general level of understanding the external informants, where the results is obtained from the quantitative research.

Quantitative methods in this research is using modification from traditional method or the classical one (traditional/classical approach), using survey as a technique of collecting data. In this case, respondents are asked to provide ratings on each indicator in measuring equipment that have been made (questionnaire). The indicator is made in the form of a number of aspects of the Ministry of Trade role. Next, respondents are asked to bring up attitude of that statement. Attitudes of respondents are expressed using likert scale.

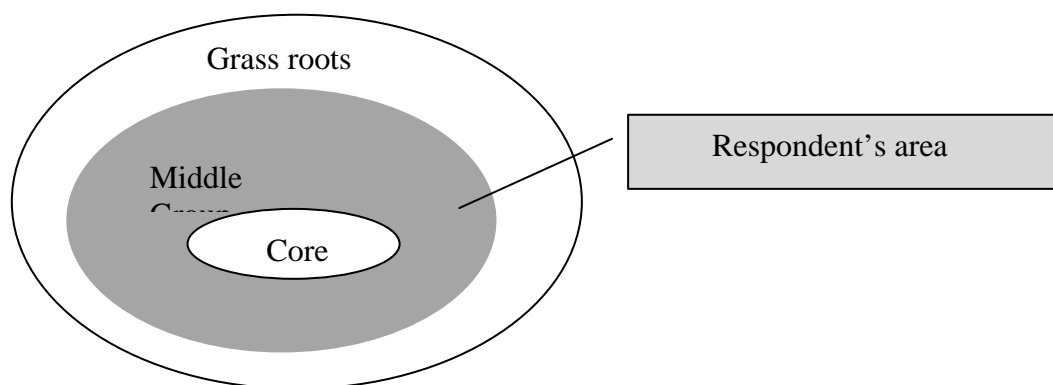
Data collected using this questionnaire drag respondents' answers by interview method by enumerators.

Data are processed with the SPSS program (Statistical Package of Social Science) and presented in the form of univariate data. While the analysis and interpretation in this research is done by looking the average index of each dimension and indicators measurement established in the interval scale.

3.2. Sampling Technique

Quantitative research approach was conducted in 4 (four) regions namely Jakarta, Bandung, Surabaya, and Medan. Respondents were defined as 320 respondents, which are taken purposively in each region that has been set. Characteristics of the respondents include: businessmen, student, and housewife.

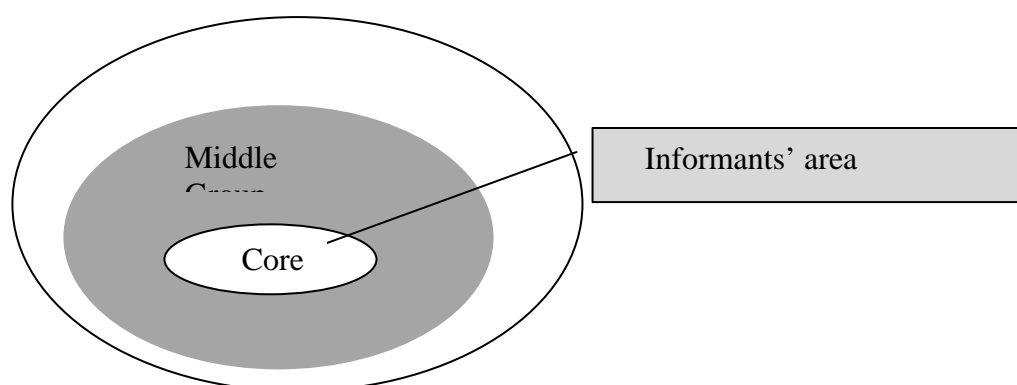
The view of sample from this population can be seen in the description below:



Meanwhile, qualitative approach is conducted with in depth interview. this communication audit research is limited on the external stakeholders, Interviews were conducted on several informants as written below:

1. Public or the general public as users (including customers, suppliers, clients, users)
2. Regulators that includes the DPR and DPRD Trade Commission field
3. The media get involved in publicizing trade news
4. Experts and observers Economics
5. Businessmen
6. Association of Trade (KADIN, API)
7. Exporters and Importers

The view of Informants can be seen in the description below:



On 14th of September – 4th of October 2009, the Audit Program of Ministry of Trade Public Relation was held on 14 September - 4 October 2009 in the two-stage activities. The first stage was conducted in Jakarta and Bandung, and on the second stage was conducted in Medan and Surabaya

Data Collection Activities

In general, the implementation of data collection was conducted, is started with instruments' briefing for the enumerators in their respective districts. This briefing is the most important stages in which to bring up the goals and instruments used in this research.

3.3. Technical Analysis of Data

The data findings from the quantitative and qualitative is analyzed descriptively. Descriptive Analysis is a research that provides a description or clarification of a situation clearly without any special treatment of the objects examined. Thus, Descriptive Research is an inductive process in which researchers build abstraction, concept, hypothesis and theoretical data from the data. Main instrument in qualitative research is the reseachers itself, generally with the participation observation. (Maleong, pp. 84)

Procedures for the analysis refers to what is described by John W. Creswell 1994, as following:

- 1 To obtained all the data associated with the object of research.
- 2 Conduct an interview.
- 3 After the information obtained with the full information in writing (document data) and unwritten (the interview), then the data is grouped to get consistent data
- 4 Then organize the data obtained into a findings which are relevant to the topic which become focus of research.
- 5 Identify descriptions which have relationships with the research focus
- 6 Make the final decision from the observation data

Descriptive analysis can be also defined as the research is to picturize individual phenomenon, situations or some groups that occur today. The objective of the descriptive research is to describe event or condition of the population at this time (Danim 2002, h.41). Beside that, the purpose of descriptive research is to describe or characterize systematically, accurately and factual about attitudes, the facts, and the relationship between the phenomenon being investigated.

According to Moh. Nazir "methodologically, descriptive research is a research to gather information about the status of a variable, symptoms or conditions, which is the symptoms of condition is according to research conducted at the time. (1988, 63 h).

CHAPTER IV

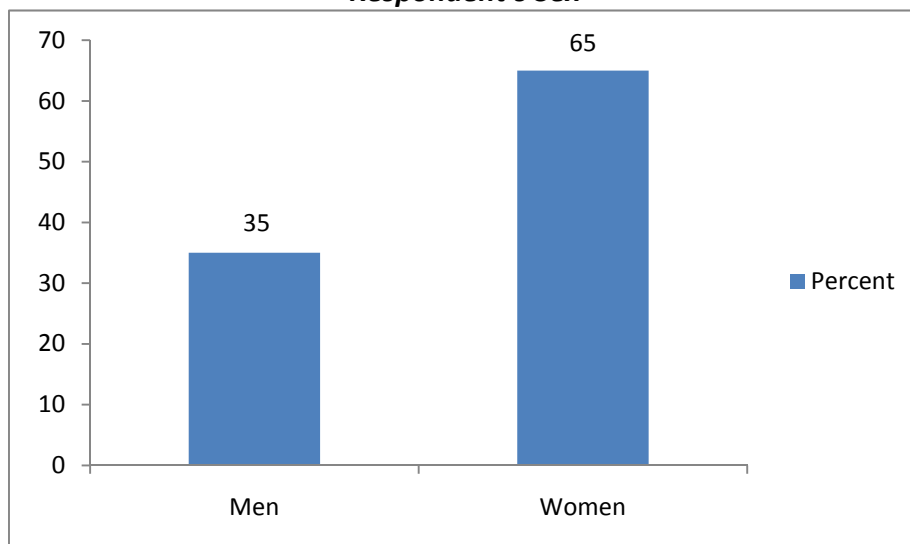
COMMUNICATION PERCEPTION ANALYSIS IN TRADE SECTOR

4.1. Respondent Demographics

4.1.1. Sex

Based on data obtained from the field, it showed that the women respondents are more than male respondents. The comparison ratio nearly doubled the number of percentage sum between 65% (women) and 35% (men).

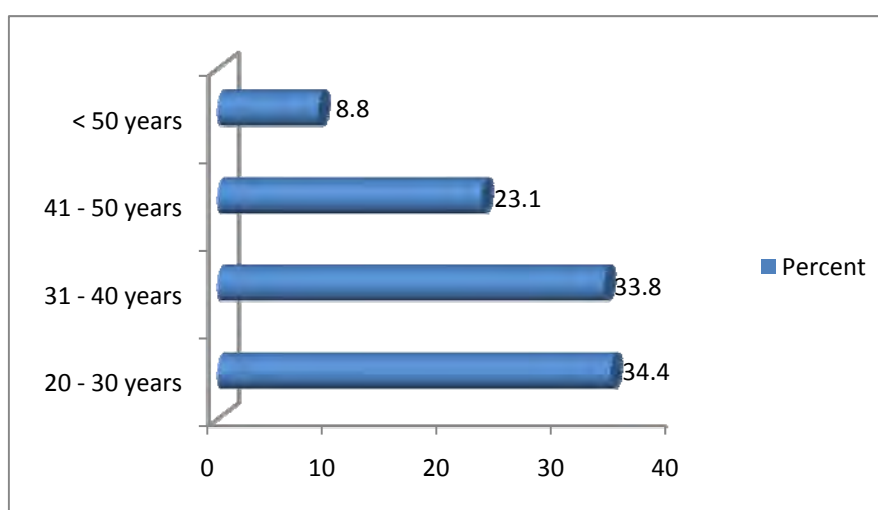
Graphic 1
Respondent's Sex



4.1.2. Level of Age

If viewed from the level of age, the majority of respondents aged 20-50 years old. The distribution is concentrated in three groups, namely: respondents aged 20-30 years (34.4%), respondents aged 31-40 years (33.8%), and respondents aged 41-50 years (23.1%). Meanwhile, respondents aged 50 years and up only 8.8%.

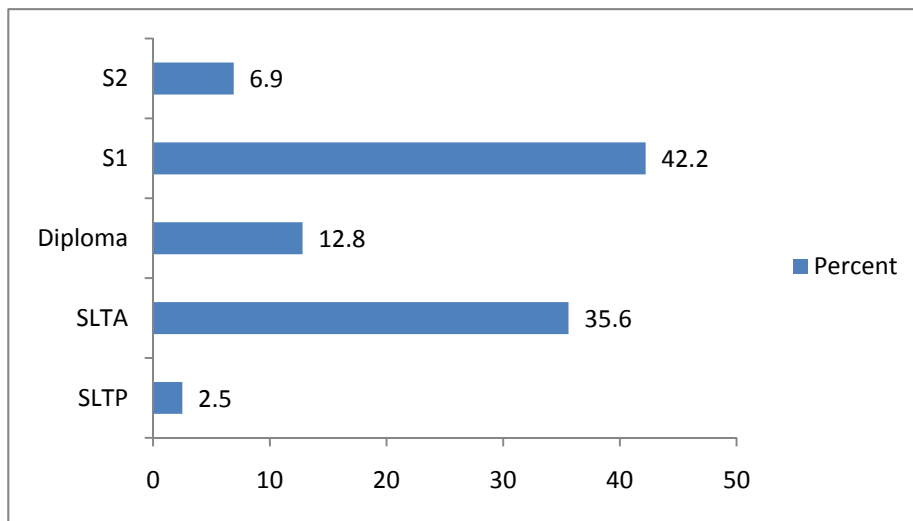
Graphic. 2
Respondents' Level of Age



4.1.3. Level of Education

The majority of respondents' educations were in the level of S-1 (undergraduate) and high school or equivalent. That amount reaches more than 77.8% with distribution 42.2% for S-1 (undergraduate) and 35.6% for high school or equivalent. In the third place is taken place by level of education Diploma, amount to 12.8%. Meanwhile those who have S-2 (postgraduate) and SLTP (junior high school) are only 6.9% and 2.5%.

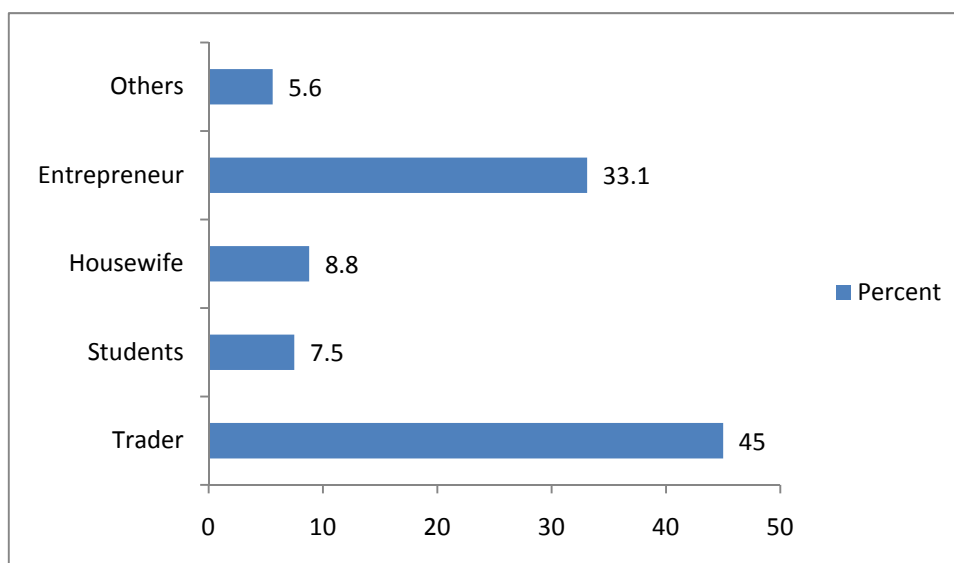
Graphic .3
Respondent Level of Education



4.1.4. Occupation

Most of the respondents have a job as a trader, which is 45%. Next, the entrepreneur job positioned the second largest, which is 33.1%. While the other spread from the IRT (housewife) with a percentage of the amount of 8.8% and the number of students 7.5%. If it is seen from this composition, it appears that self-employed traders dominate the proportion

Graphic .4
Occupation Composition of Respondents



4.2. Perception in Cognition Aspect handled by the Ministry of Trade

Perceptions of important aspects carried out by the Ministry of Trade to see how much the respondent's assessment on roles that are considered important to be done by Ministry of Trade. There are 13 aspects that asked to the respondents, namely: Domestic Trading Permit (including regulation), Foreign Trading Permit distribution flow of goods and services, Determination of Export-Import Price Benchmark, Domestic Product Usage, consumer protection, supervision of goods and services , Enhancement of Export Competitiveness, Development of Other Sectors for Trading Increase, Food Price Stability, and Public Service in Trading.

Here is a table of data about the respondents' perception of several aspects which is carried out by the Ministry of Trade.

Table. 1
Mean Result of Respondent's Cognition

	Minimu m	Maximu m	Mean
Domestic Trading Permit	1,00	5,00	3,9219
Foreign Trading Permit	1,00	5,00	3,7563
Trade Distribution	1,00	5,00	3,9813
Determination of Export Price Benchmark	1,00	5,00	3,6156
Determination of Import Price Benchmark	1,00	5,00	3,6563
Protection for Domestic Products	1,00	5,00	4,3531
Domestic Product Usage	1,00	5,00	4,3125
Consumer Protection	1,00	5,00	4,3063
Goods and Services Supervision	1,00	5,00	4,1594
Enhancement of Export Competitiveness	1,00	5,00	4,0938
Development of Other Sectors for Trading Increase	1,00	5,00	4,0156
Food Price Stability	1,00	5,00	4,1844
Good Public Service in Trading	1,00	5,00	4,2031

Based on the results of Cognition Mean Table, from the data above, obtained from 320 respondents showed that the average value of the 13 respondents Cognition aspects of External Audit Communication Department of Trade in the range of 3.62 - 4.35 with a standard deviation between 0.99 - 1.26 . The average value cognition the highest mean value of 4.35 with standard deviation 1.04 is located on the Protection on Domestic Product aspect. Meanwhile, the lowest cognition average value is found in the aspects

Determination of Export Price Benchmark with mean value 3.62 and standard deviation 1.20.

The more, the high knowledge about the protection of domestic product is assumed because the respondents think that the aspect is very important in the Ministry of Trade. As recorded from the depth interviews below:

"Protection of domestic product needs to be done to give opportunity to business activities in the country by providing full support and commitment to the national industry that is agreed."

"It isn't fit enough, if the Department of Trade soundly support the use of the domestic product while the community only give little support" .

"So this is, the Ministry of Trade should provide protection to the domestic businessman, the local products so go ahead, do the import, but need to provide import protection".

"Well it must be done, by the Ministry of Trade. Do not just focus to the import. The focus now is to the import then the excellent products in the export. So the excellent products we exported the rest is imported, like that".

"Gosh, in bare eyes it isn't visible yet, to make the protection of the product. So yes, this Ministry of Trade must provide protection to the domestic businessmen, the local products so please but need to provide import protection".

"If it's the sugar okay, because it has not been able to meet the needs in the country. It's crazy if the salt is imported, right? It's okay then. Why we are not able to make iodine salt in good quality".

"But the most important on how to import it once again does not also kill domestic product. That's it. Because, for example in the ready-to-wear garment, Sometimes

Chinese products are cheaper than ours, even our quality is better than theirs (China, red)".

While Determination of the Export Price benchmarks aspects much less is known by the respondents, and it is considered less important in their marrow (mean 3.62). More information about the determination of the export price benchmark can be seen in the in-depth interview follows:

"If the problem is about the price, so in which field? Because the price benchmark can not just be set by them, that is the market price. So it has to be based on the market. I see it is not the Ministry of Trade, but the business itself who determine".

"Yes .. it means that we have to keep up the price stabilization, right? An we also have to guard the distribution too. . How to make all the trade run smoothly, right? Now that (the distribution, red) that do not .. is not maximum, does not run well".

".. we can evaluate if the price is too high for example, what can we do if the price is too high so every line will get effect, through a one-pound, through a two-level through this is, so the costs is so high, but we ... cannot reach the second level ".

Talk about the price means that we also talk about of the product quality. Overseas product usually has high price but in good quality, our SMEs can also improve the quality of its products, just like overseas product, but with the consequences that it will raise the price. Automatically, if the price is expensive, buyers are also rare. So, all this problem is related to the market".

In theory, the respondents' perception about penilian cognition dimensional above indicate the existence of attention and interpretation (interpretation or comprehension) of the stimulus that allows the shaping of cognition. Refers to George E. Belch and Michael A. Belch in his book *Advertising and Promotion: An Integrated Marketing Communications Perspective*, Sixth Edition, (NY: McGraw-Hill Inc., 2004),

p.145) that the respondents' assessments are reaction from what they see, hear, or read.

4.3. Perception in Affection Aspect handled by the Ministry of Trade

Based on Affection Mean Table results of processing the data, obtained from 320 respondents showed that the affection average value of the 13 respondents in aspects of External Communication Audit Ministry of Trade in the range of 3.09 - 3.58 with a standard deviation between 1.09 - 1.34. The highest affection average value is the mean value of 3.58 with standard deviation 1.27, which can be seen in the aspects of Increased of Domestic Products Usage. Meanwhile, the lowest cognition average value is found in the aspects Ease Permit Obtain Foreign Trade with a mean value of 3.09 and standard deviation 1.29.

Table . 2
Mean Assessment from Affection Dimension

	Minimu m	Maximum	Mean
Domestic Trading Permit	1,00	5,00	3,3375
Foreign Trading Permit	1,00	5,00	3,0875
Trade Distribution	1,00	5,00	3,5125
Determination of Export Price Benchmark	1,00	5,00	3,1844
Determination of Import Price Benchmark	1,00	5,00	3,1781
Protection for Domestic Products	1,00	5,00	3,4250
Domestic Product Usage	1,00	5,00	3,5781
Consumer Protection	1,00	5,00	3,4938
Goods and Services Supervision	1,00	5,00	3,4281
Enhancement of Export Competitiveness	1,00	5,00	3,3438
Development of Other Sectors for Trading Increase	1,00	5,00	3,2813
Food Price Stability	1,00	5,00	3,3844
Good Public Service in Trading	1,00	5,00	3,4938

From the results above, showed that aspect of Increased of Domestic Products Usage have the most attention in the perception of the respondents (mean 3.58). Meanwhile the above may be browsed more in the in-depth interviews with the following statement:

"They are still less in giving issue, still less in motivating people to use domestic products. I think our government now, once very poor, not as Suharto's regime".

"... .. How we love the Indonesian products, and others. There are many implementations so we love our products, but yet, we cannot insist on that, we can only urge. We cannot guard a department store so that consumers won't buy imported goods. You can't... then, imported goods are various, there is a raw material import, for example sugar import, for which import for the factory, and then processed so ... not just import the sugar, it is different ... Well sometimes it is imported but the import of different ingredients ".

"Another example of the government passivity of our domestic production. If we pump livestock sector, yes, to be the best of milk producer, let's say so. We can supply the Indonesian needs of IPS or national needs in this country about 10 to 20%. 80% are still being imported. There should be a protection against our breeder here. Then, suddenly Minister of trade, Mrs. Marie, duty-free the dairy import to zero. Is this a protection against which breeder?!. While the dairy product price abroad is cheaper than the dairy product price of in the country. This is the kind of thing happens a lot in Indonesia".

"We as human erector shall encourage the use of domestic products in the country. This is also a learning process for the construction business so they always try to make better product, and later they can export it. The office here has given socialization the program to the community to use the domestic product. From my sight, there are a lot of people here have been using the domestic products. While some of them prefer Chinese-made products which are in better quality and cheaper price".

Meanwhile, Foreign Trade Permit with mean value 3.09 indicates that respondents have less responses of this permit. At least, from the in-depth interview of respondents can be gathered these following informations:

"our weakness are in the licensing aspect. Licensing is too much, district issued permits, not yet many collecting that make investors are lazy to come because of too many fees".

" This is due to be twisted with the permission because it takes too long to complete the administration, cannot completed in 6 months. They just want the business run quickly, nah this is not done".

"That's it, until now the permit it the problem (hard, red) ... because there is no coordination, so coordination is necessary between central, provincial and district / city, that permits is easy".

By looking at some informants arguments above, it's seen that the informant's assessment of this attitude dimension reflects the joy (liking), selecting (preference) and sure (conviction), as cited by Lavidge Robert and Gary Steiner. So that the informant's assessment in the dimensional attitude can be considered as part of Robert Lavidge and Gary Steiner *the Hierarchy of Effects Model*.

4.4. Perception on Attitude Aspect

From the Conative Mean Table, there is a similarity with the average respondent's assessment from the affective dimensional, mainly from the tendency of the highest and lowest average. It is noted that from data 320 respondents, obtained a picture that the conative average value of the 13 respondents for External Communication Audit of the Ministry of of Trade aspect is in the range of 2.72 - 3.08 with a standard deviation between 1.00 - 1.15. The highest conative average value is the mean value of 3.08 with standard deviation 1.15, can be found on the aspects of Increasement of Domestic Products Usage. Meanwhile, the lowest cognition average value is found in the aspects of Ease Permit Obtain Foreign Trade with a mean value of 2.72 and 1.10 standard deviation.

Table . 3
Mean Assessment Result from Conative Dimension

	Minimum	Maximum	Mean
Domestic Trading Permit	1,00	5,00	2,9688
Foreign Trading Permit	1,00	5,00	2,7188
Trade Distribution	1,00	5,00	3,0031
Determination of Export Price Benchmark	1,00	5,00	2,9188
Determination of Import Price Benchmark	1,00	5,00	2,8469
Protection for Domestic Products	1,00	5,00	3,0125
Domestic Product Usage	1,00	5,00	3,0844
Consumer Protection	1,00	5,00	2,9844
Goods and Services Supervision	1,00	5,00	3,0313
Enhancement of Export Competitiveness	1,00	5,00	2,9906
Development of Other Sectors for Trading Increase	1,00	5,00	3,0625
Food Price Stability	1,00	5,00	2,9156
Good Public Service in Trading	1,00	5,00	2,9469

The high ratings of the respondents assessment in the Increase of Domestic Products Usage is assumed because respondents thought it was very important to be handled by the Ministry of Trade (mean 3.08), as a recorded from the result of depth interviews following:

"Yes, back to the import issue, we are not allergic to it but with the import entry customs earlier how it should be not even in a zero. Now, if the cost of entry is zero, the price is certainly cheaper. Yes, it will devastate our domestic products. Then, that policies where sometimes Ministry of Trade make it zero. Import duties. Then, our

domestic product will be dead if its import duties on a zero, so. It usually happens, right? "

"Another example of the government passivity of our domestic production. If we pump livestock sector, yes, to be the best of milk producer, let's say so. We can supply the Indonesian needs of IPS or national needs in this country about 10 to 20%. 80% are still being imported. There should be a protection against our breeder here. Then, suddenly Minister of trade, Mrs. Marie, duty-free the dairy import to zero. Is this a protection against which breeder".

"... the domestic product usage campaigns, if we don't put our domestic product in good position then they won't be able to compete with imported goods, then it is not meaningful, right? To whom do you want the domestic product campaign take the target? If then, imported goods products can enter our country easily and then go with a cheaper price ".

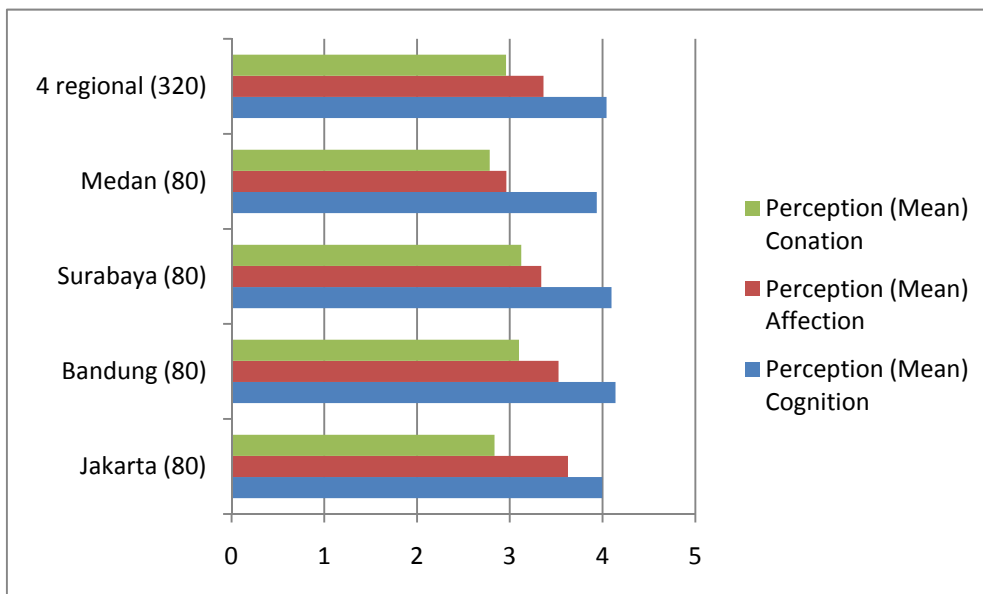
Meanwhile, Foreign Trade Permit with mean value 2.72 indicates that respondents have less perception of Ministry of Trade behavior about this. At least, from the informants' depth interview can be obtained the following information:

".... In giving permission, he should also consider how the resilience of these products in our own country. Do not then see a big opportunity and then ignore it (the interests of the country). Just like one thing, may be the simple one. So, perhaps in some cases it can not be a decision of Ministry of Trade itself. At the time when a price of rice is high, he said we continue ranting and such self-sufficient".

Based on the perception of three dimensions above (cognition, affection, and conation), it can be seen that the awareness level is high enough to some aspects that are important to be handled by Ministry of Trade cognitively. Only for the perception of the affection and conation levels that have less implementation level. This indicates a decreased level of seriousness in the Ministry of Trade by seeing the decreasing

mean value in an operational level, that is, the total mean cognition 4.04, affection 3.36, and conation 2.96 as shown in the graphic below, both in the macro level and per-region level:

Graphic .5
Perception Level on Cognition, Affection and Conation (Macro –Regional)

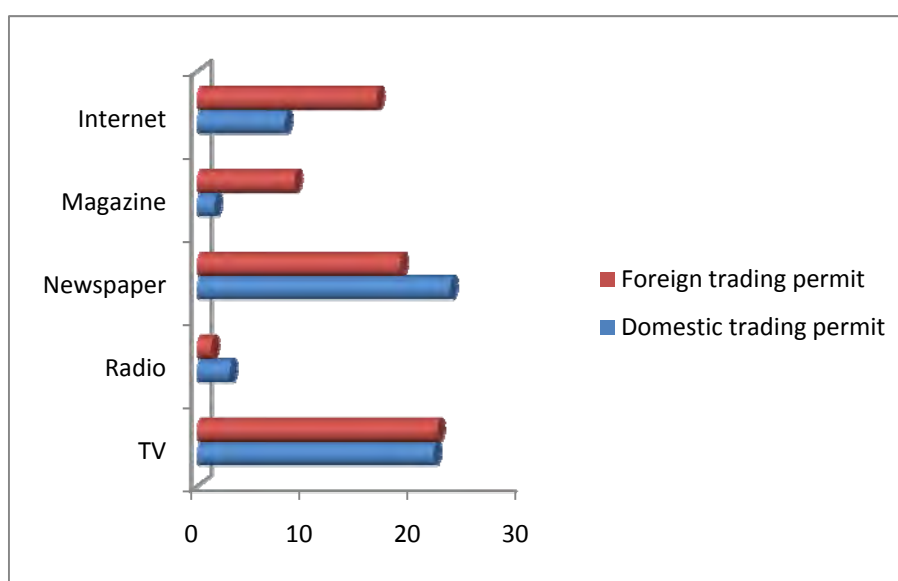


4.5. Perception on Media

4.5.1. Media Exposure related to the Permission

Most of the respondents knew the information about the licensing, both the foreign permit and domestic permit from television, newspaper and internet. However, there are some differences in the percentage for these two aspects, where the foreign trade permit aspect percentage for television is 22.2%, newspaper 18.8%, and internet 16.6%. Meanwhile for the domestic trading permit aspect can be seen newspaper of 23.4%, 21.9% of television, and 8.1% of the internet. Below is the percentage graphic:

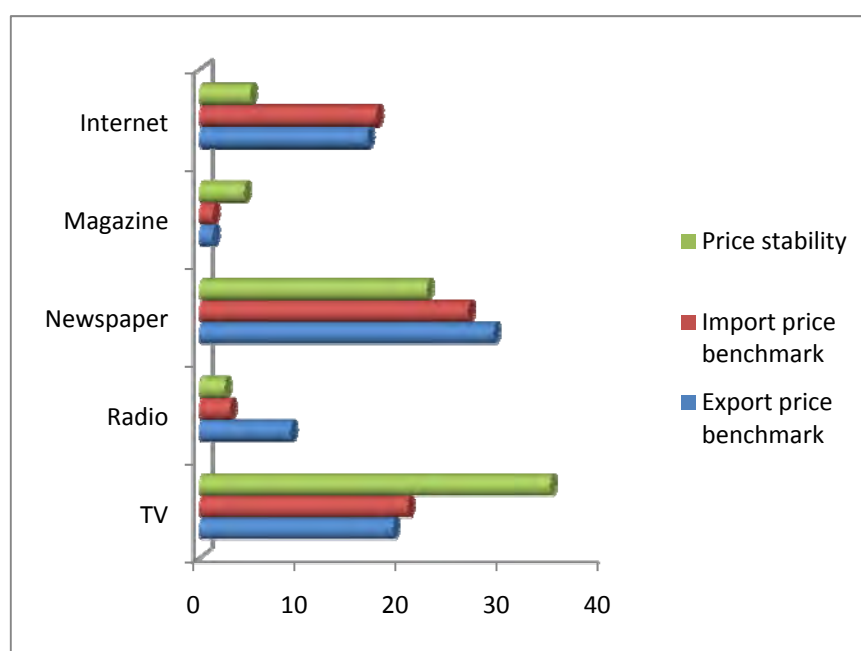
Graphic .6
Permit Information Source



4.5.2. Media Exposure related to the Price

Associated with the export price benchmark, the benchmark price of import, and price stability, most of the respondents are still using television, newspapers and the Internet as the dominant source of information. However, there is difference in the amount percentage of these two aspects, where in the aspect of food price stability permission can be seen that television is about 34.7%, 22.5% of newspaper, and internet as much as 5%. Meanwhile in the export price benchmark aspects is about 29.1% of Newspaper, television of 19.1% and 16.6% of the internet. Moreover, in the import price benchmark aspect, it can be seen that 26.6% of Newspaper, television at 20.6% and 17.5% of the internet. Here is the percentage graphic:

Graphic .7
Information Souce for Price

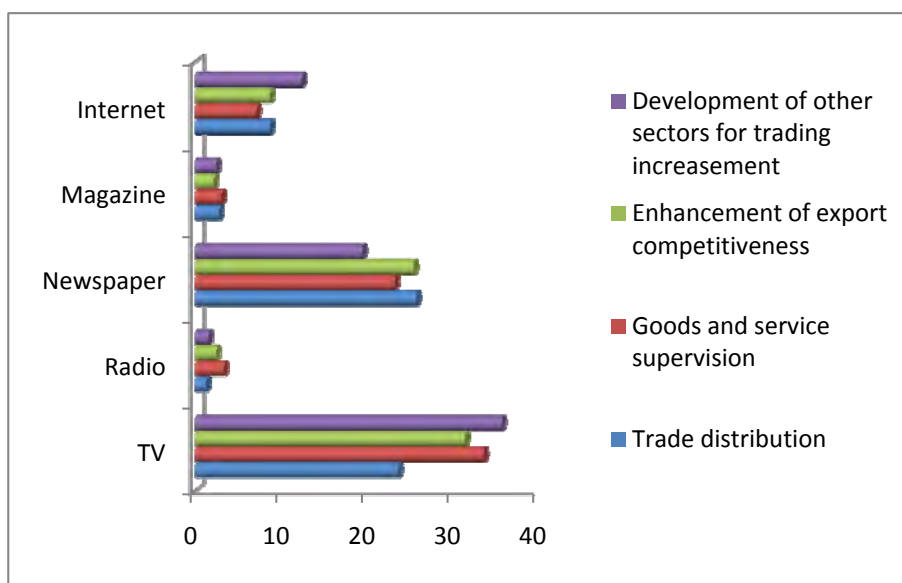


4.5.3. The Media Exposure against distribution, supervision, and trading commodity

In the trade distribution, control of goods and services, export commodities, and global trading; television and newspaper occupies a high position. In the distribution aspects, newspapers got 25.9%, television 23.8%, and Internet is 8.8%. In the control of goods and services aspect, newspaper got 23.4%, television 33.8%, and 7.2% of the internet. While in the export commodity aspect, newspaper got 25.6%, television 31.6%, and internet 8.8%. The same thing also happens in the global trade aspects, where newspaper got 19.1%, television 35.9%, and internet 12.5%. Below is the percentage graphic:

Graphic. 8

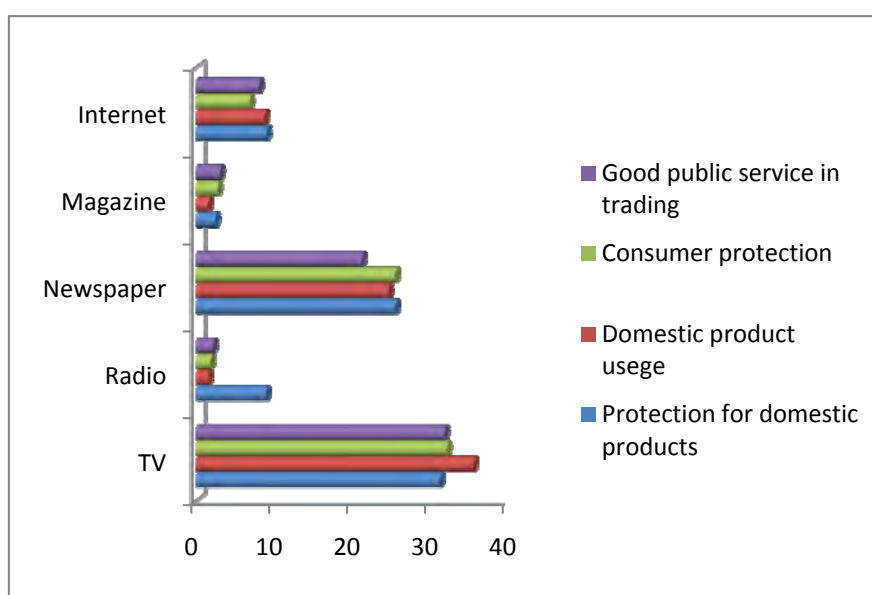
Information Source in Distribution, Supervision, and Commodity



4.5.4. Media Exposure against Production and Trade Service

The same thing also can be seen in the protection of domestic product, domestic products usage, consumer protection, and public services, where the television and newspaper occupy a high position. In the the protection of domestic product aspect, newspapers got 25.6%, Television 31.3%, and Internet 9.1%. In aspects of the domestic products usage, it is seen newspaper 24.7% television 35.6%, and internet 8.8%. Meanwhile, in the consumer protection aspect, newspaper got 25.6%, television 32.2%, and internet 6.9%. It also found in the public service aspect where Newspaper got 21.3%, television 31.9%, and internet of 8.1%. Below is the percentage graphic:

Graphic. 9
Information Source for Production and Service

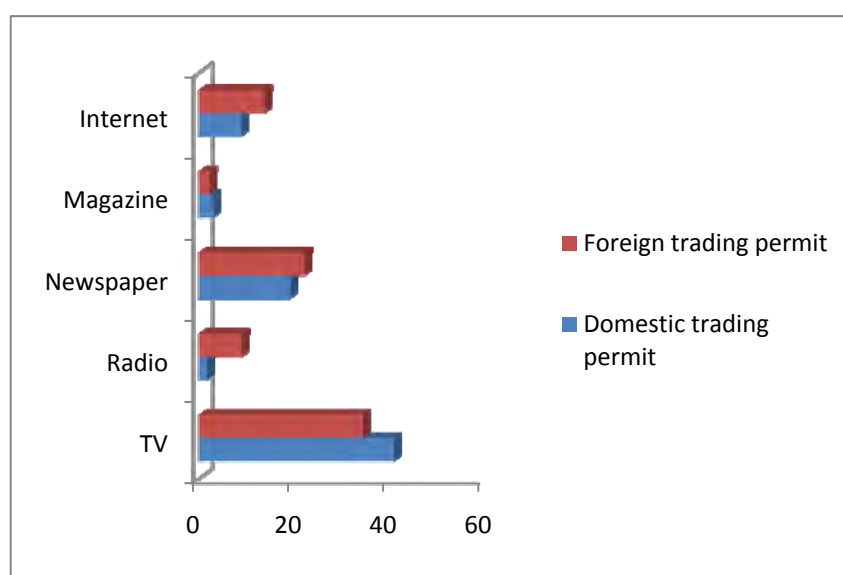


4.6. Perception towards Effective Media

4.6.1. Media Effectiveness as Permit Dissemination Tool

Most of the respondents knew the information about the licensing, both the foreign permit and domestic permit from television, newspaper and internet. However, there are some differences in the percentage for these two aspects, where the foreign trade permit aspect percentage for television is 34.4%, newspaper 22.2%, and internet 13.8%. Meanwhile for the domestic trading permit aspect can be seen newspaper of 19.41%, 40.9% of television, and 8.8% of the internet. Below is the percentage graphic:

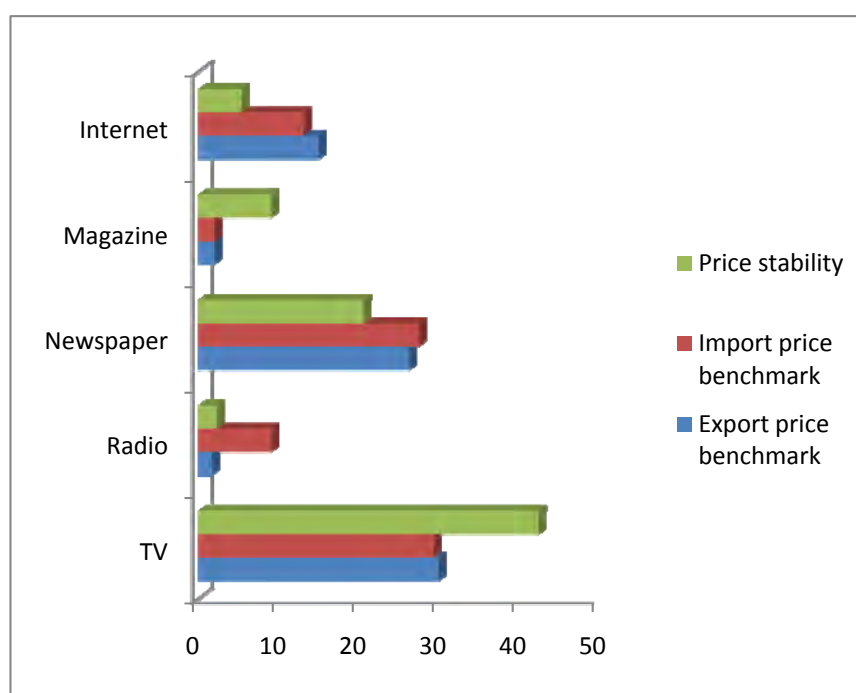
Graphic. 10
Media Effectiveness as Permit Dissemination Tool



4.6.2. Media Effectiveness as Price Dissemination Tool

Associated with the export price benchmark, the benchmark price of import, and price stability, most of the respondents are still using television, newspapers and the Internet as the dominant source of information. However, there is difference in the amount percentage of these two aspects, where in the aspect of food price stability permission can be seen that television is about 42.5%, 20.6%, of newspaper, and internet as much as 5.3%. Meanwhile in the export price benchmark aspect is about 26.3% of Newspaper, television of 30% and 11.5% of the internet. Moreover, in the import price benchmark aspect, it can be seen that 27.5% of Newspaper, television at 29.4% and 13.1% of the internet. Here is the percentage graphic:

Graphic. 11
Media Effectiveness as Price Dissemination Tool

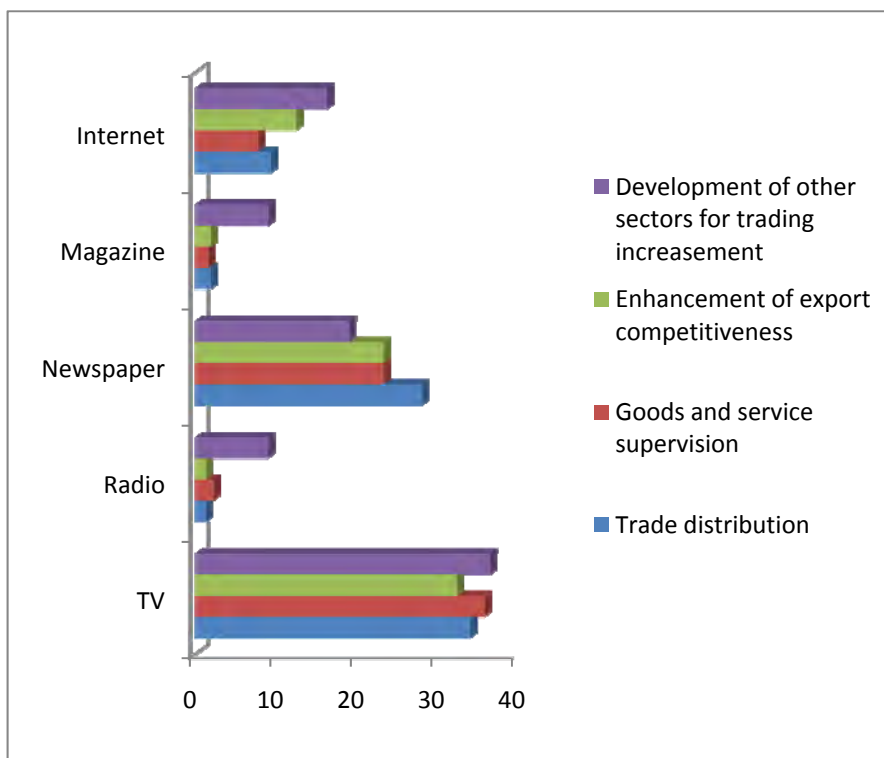


4.6.3. Media Effectiveness on Distribution, Supervision and Trading Commodity

In the trade distribution, control of goods and services, export commodities, and global trading; television and newspaper occupies a high position. In the distribution aspects, newspapers got 28.1%, television 34.1%, and Internet is 89.4%. In the control of goods and services aspect, newspaper got 23.4%, television 35.9%, and 7.8% of the internet. While in the export commodity aspect, newspaper got 23.4%, television 32.5%, and internet 12.5%. The same thing also happens in the global trade aspects, where newspaper got 19.1%, television 36.6%, and internet 16.3%. Below is the percentage graphic:

Graphic. 12

Media Effectiveness on Distribution, Supervision, Trading Commodity

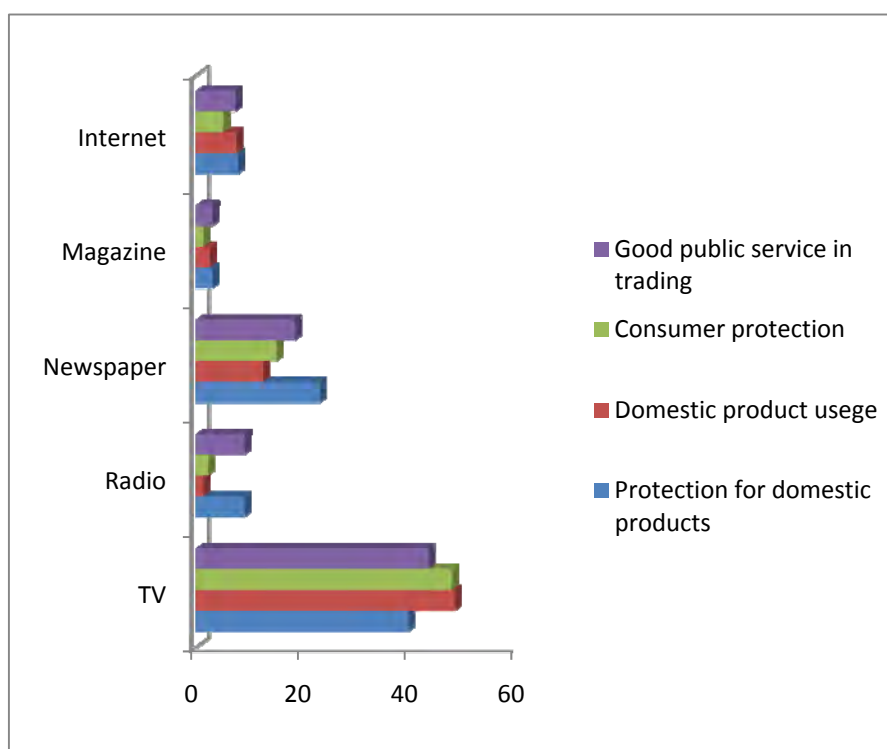


4.6.4. Media Effectiveness on Production and Trading Service

The same thing also can be seen in the protection of domestic product, domestic products usage, consumer protection, and public services, where the television and newspaper occupy a high position. In the the protection of domestic product aspect, newspapers got 23.1%, Television 39.7%, and Internet 7.8%. In aspects of the domestic products usage, it is seen newspaper 12.5% television 48.4%, and internet 7.5%. Meanwhile, in the consumer protection aspect, newspaper got 15.0%, television 47.8%, and internet 5%. It also found in the public service aspect where Newspaper got 18.4%, television 43.4%, and internet of 7.2%. Below is the percentage graphic:

Graphic. 13

Media Effectiveness on Production and Trading Service



From the data above, it can be conclude that the three media have dominant effectiveness. Television is considered to have more benefit than other media. Those advantages come up because television has its effectiveness in shaping the experience and effects on the social reality, which is perceived to the audience. These advantages occur because television news has more images which are believe to be more capable to construct the impression than just words. The same thing also happens in television, where television is the most effective media in delivering the message.

Newspaper is also considered not only have direct effects on individuals, but also affect the culture, collective knowledge, norms, and values of a society. Mass media can also deliver some images, ideas, and evaluation for the audience that can be made as a behavior reference. Therefore, the audiences become depending on the mass media as a source of information for knowledge of, and orientation to, and what happens in the community.

Meanwhile, the internet is considered to be more effective in information dissemination and socialization. However, not all the public can take advantage of this Internet technology so there should be another channel which can fulfill public curiosity about the Ministry of Trade. However, all this time, internet is still considered as the most effective and the cheapest medium not only in the dissemination, but also in the socialization.

CHAPTER V DISCUSSION

5.1. Perception on Institutional

In terms of institutional arrangements, the Department of Commerce in the public perception has a positive view. The findings in the field data show that Department of Commerce has a role in supporting the growth of commerce that can compete on the global level, the economy of Indonesia to encourage both micro and macro; conduct supervision in the field of trade, facilitate the entrepreneurs to do business in the export-import; establish communication with the investors and develop policies to make the trade sector in accordance with the needs of stakeholders.

Those statements are indeed contained value that there is great hope for the Department of Commerce to become the institution that can bring change. Thereby, The Department of Commerce should be able to optimize the role of communication and information in the era of globalization.

To know the answers to these problems, it can be seen from the stakeholders' assessments in giving negative to positive ratings for the Department of Commerce's performance. The good and bad performance in the Department of Commerce among stakeholders can be accepted because the background of stakeholders themselves are spread spatially (Jakarta, Bandung, Surabaya, and Medan) and diverse (DPR / DPRD, business, Office, NGOs, journalists, academics and observers) where each of them have different experiences and problems.

Meanwhile, the stakeholders who assess the good-bad performance and the existence of the Department of Commerce also have some relevance other phenomenon that developed, among them: First, the emergence of regional autonomy phenomenon which encourages the changes, both structural and functional. Second, the Department

of Commerce institutional changes that integrates with Industrial before. Those three main duties and function of Department of Commerce that changes in post-autonomy.

5.2. Perception on Department of Commerce's Role

5.2.1. Permit

In general, there are 7 (seven) main problems related to permissions in the perception of informants in all areas. Here are the result analyses of seven issues from identification problems matrices.

Permit system and mechanism. Permit system was still considered unorganized, uncentralisation, and gave no easiness to employers. This phenomenon could be found on the effort of the company's establishment permission (SIUP), Company Registration Number (TDP), and permit for goods importers' companies which is the Import Identification Index (API). Beside problems on the system directly associated with the Trade's Department, informants also felt there were other permission problems from other sectors or departments, such as permission from the General Directorate of Customs about the Company Registration Letter (SRP).

Permit Cost. Most of the informants in every region perceived that the permit cost became the problem, especially in the charge cost which were relatively not transparent and more expensive than the cost set, also the emerge of "service" from the officers and other parties. In other word, the phenomenon showed the occurrence of additional expences cost from the cost set.

Implementation Form of Policy. The form of permit policy was assessed already clear and showed clear direction and goals. However, the implementation of the permit was still not optimal. Some informants mentioned cases were often found, for example the implementation of permit SIUP practices in districts. Most of the informants did not make a problem out of Trade Department's performance which had made the permit policies, but they questioned the role of region agencies,

particularly agencies in district/city government office which were the implementer of the policy.

Law enforcement. Law enforcement is still considered running less optimally, particularly in the export-import license and illegal goods supervision in the port. As we know that, to minimize the level of trade abuse, particularly export-import illegal goods, so the government made the export-import policy only through the port 5. However, several informants stated that this policy is less effective because it is less supported by law enforcement of related parties (law enforcement).

Law Awareness. According to the informants, there are some entrepreneurs who have a very low awareness. They usually have lack the level of trade in legal compliance. Associated with licensing, there are some who take shortcuts to get permission but do not have the administrative completeness.

Regional Autonomy. The emergence of regional autonomy policy was to bring a very unusual impact of the business climate, including the licensing. The informants have rated that trade licensing has collision with the region need where the interests of that permission are deciphered as a means to get the regional inclusion (PAD).

Coordination License. Permit Coordination license is considered by the informants have its own problems, especially in the implementation of the system and mechanism. For some regions, they have started to implement easy permission but are other areas that are still complex. Permit formation in one roof which involves many institutions in some areas is still become a public expectation.

From all of those export-import permit problems, the main problem is the implementation and socialization issues. Implementation of the policy appears to have its own field in the informants' perceptions because of regional autonomy in the case of the powers division.

5.2. 2. Flow of Goods and Services

There are some phenomenones related to the flow of goods and services. First, the circulation of goods and services form by itself through the market mechanisms (supply and demand) that are running. Some informants considered that the flow of goods and services are uncontrollable by the government or strictly defined, but the flow of goods and services form itself in the market.

Second, the government still needed in intervence market. Operations several informants assessed the market is still quite effective for the occurrence of fluctuations in the price increase and scarcity of goods.

Third, the role of departments in the smooth flow of trade and services by increasing the efficiency of distribution is still hampered regulatory issues related to wild and licensing fees. This is considered to some informants may disrupt the investment climate in Indonesia.

5.2.3. Determination of Price

The majority of informants felt that the application of the benchmark price of an effort needs to be done. However, during this many people rate the efforts made by the Department of Commerce-related role in maintaining the stability of food prices on the limited operation of a market incidental. However, the occurrence of food shortages in the market due to the stockpiling of food price instability.

The entrepreneurs who are in the real sector and the retail selling daily necessities expect the price of goods circulating in the community remain awake. Do not make the traders or consumers harmed, such as scarcity of sugar, which cause the price increase.

5.2.4. Protection for Domestic Products

Role in the department of trade protection to domestic production, still considered the various informants. Assume that there is less but also considers that there is

sufficient relative and better than before. There is some informants felt that the Department of Commerce is considered not attempt to bring people to the industry in the country grow and develop, as has been done by the industry department. But there is also the rate that the Department of Commerce has undertaken protection.

In addition, some informants felt that the Department of Commerce or less know the industry that need to be assisted or protected until the industry is independent and ready to compete. The weakness of this happens, the lack of coordination between department of commerce and industry department.

However, the results of the analysis on the various issues and identification of inputs, there are some efforts that can be done to protect local products, among others:

The Ministry of Trade does not perform the import of goods and services that can be produced by them self. During this, the government is importing salt from Australia. While some local produce local product of salt. Government must seek in order import goods does not overcome the local goods in the country. Products such as clothing imports from China so the price is much cheaper with a better quality of local products. Similarly, dairy production in the country around 10-20%. 80% of national dairy production is fulfilled by dairy import. However, the import policy is not equipped with protection against a local breeder. Department of Commerce would enter duty-free import dairy. So the price dairy from overseas become cheaper than domestic dairy

Application of the principle of production for own consumption. Governments programs need to help livestock breeders cultivate. Because every year we import 650 thousand head of cattle, the livestock farm is very broad, making it possible to produce for domestic needs. In an effort to develop the various sectors to improve competitiveness in a global trade, production needs to be done to protect their own consumption so that this can be self-sufficient.

Encourage competition for local produce goods and services of high quality. This work is done so that local products have a quality experience and share information through to the products available

Reorientation trade policy focuses on strengthening the local economy rather than to build international competitiveness. In this case, the Department of Commerce is required to perform development and the siding of against the small-medium that produces local products. Protection in the production in the country, the regulations that need to stand on the products in the interest of the country, both regulations concerning raw materials and local products itself. Form of protection that must be done by the government is not only a gift (such as BLT) a particular form of subsidy, but also the regulations.

There are several regulations issued by the Department of Commerce to save the industry in the country, among other provisions of imported goods, namely food products 5-beverage, footwear, electronics, children toys, clothes and so. Company importer fifth product requires a special permit as a registered importer. To other products also may only enter through the port-specific, namely Tanjung Priok, Semarang, Makasar Sukarno Hatta, and special food-drink in Dumai.

5.2.5. Domestic Product Usage

Use of products in the country assessed the informant could increase production of local products. But in reality the effort is still less than the maximum, both the Structural and the policy community awareness itself. Department of Commerce few informants considered themselves less in maximum efforts to make policy and the spirit of disseminating the use of products in the country.

Policies concerning the import, some informants felt that the trade should be more concerned about the customs. Customs should not be increased. The informants have hope, if domestic production is adequate, it does not need to be imported. However, if the import should be done, then the problem must be imported. Policies

such as import of sugar. Sugar production in the country 30% sufficient new national needs, the rest is imported. However, should the government do not import sugar at the same time with the season kibbling cane sugar because the price down and hurt farmers in the sugar cane country.

The Government, in this case the department of trade, has not been considered to improve the quality of local products, reduce production cost, and efficiency of the company. One of them through the use of local raw materials.

5.2.6. Effectiveness of consumer protection

Consumer protection is considered weak. Even more this role is not held by the Department of Commerce, but other institutions such as BPOM and YLKI. Thereby, the informants have expectations that the Department of Commerce considers this consumer protection, particularly in the selection and supervision of goods and services.

Ministry of Trade in the effectiveness of consumer protection applies not only from the aspect of price, but also from the aspect of quality assurance and lawful. Each product, whether local or imported must have the selection and supervision in the standardization of security products to see the quality and health aspects of the product so that it does not negatively impact the consumers.

5.2.7. Controlling

In terms of control of goods and services, there are several variants of this perception of the informants, among them: (1) Supervision is not a maximum, because it involves less coordination of various parties (2) tend to be sectoral supervision, and (3) Supervision are Accidental.

By the number of informants that were not satisfied to the performance of the department in this conduct, there is also that the emphasis that should be made to

control the quality of the product. In this case, the standardization of security products will need to see in the quality and health aspects of the product.

Similarly in some areas has been carried out coordination and the market. Routinely, in the region has made the coordination between the Department and the business problem that control essential goods circulating in the community, as well as monitoring anticipate fluctuations in the price of inflation or not.

5.2.8. Increase of competitiveness

The majority of informants felt that their competitiveness is an activity that can not walk alone but in a cross-sectoral. Some of the things associated with the increased competitiveness are: First, the increased competitiveness focuses on the potential of local commodities that have export potential and market share have a large (dominant). As known that Indonesia has a comparative advantage (comparative advantage) in many commodity crops. Some products can be relied on certain commodities, such as palm oil, rubber, cocoa, the, temakau, coffee, pepper and others.

Second, deregulation and debirokratisasi. This work is considered the informant to be very important because the burden is borne by the length of the bureaucracy has to take and the larger the cost. Once the regulations are also some less support for local products develop review needs to be done.

Third, encourage the growth of the credit sector in the small-medium business. Government through the Department of Commerce must prioritize the protection of small and medium enterprises. Form of protection can be given that the government, in the form of capital, markets, and protection through regulation.

In addition to coordinating efforts to handle this in the help of marketing through the exhibition or display in and outside the country, inventarisir weaknesses products in the country. Then the weakness was submitted to the Ministry of Industry. Ministry of

Industry is responsible for the production of more technical products which include design quality, product diversification, and the rate of SMEs which have been ready to export. So that the synergy between the department of commerce, department of industry, and ministries KUKM, into something that is absolutely to promote industry in the country.

Related to export competitiveness, some informants felt that the competitiveness of Indonesia defeated Thailand and Vietnam. This is because talk of raw material in the country is quite difficult and quite expensive, for example, in leather, soybean, milk and so forth. Therefore, there is hope that the informant's roles in the Department of Commerce of competitiveness increase need to be improved for the export commodity. This is because of a competitiveness index decreased since year 2008 till 2009.

The cause of local products can not compete is the cost of production in the country that are far higher than foreign products. As a result, the price of local products can not compete with imported products. One solution is to use local raw materials for the production costs so that local products can compete with imported products. In addition, the weak competitiveness of Indonesia also an export commodity was due to negligence in the product patents. Many products in the country claimed by other countries. Such as batik and Angklung is claimed by Malaysia, and tempe which is recognized by Japan and Malaysia as the product in their country. For example, raw materials such as rattan occurs not only because the policy half-finished rattan exports, but also because the distribution of cane directly from the manufacturer not to craftsmen, but through intermediaries (brokers) so that the price of cane to be very high.

5.2.9. Price Stability

The role of the Department of Commerce in maintain the price of the informants considered very important, such as market operations by the Department of Commerce or Trade. However, the Department of Commerce should continue to

perform the supervision and distribution of goods and services in order to run smoothly so that the distribution rates remain stable. The stability of food prices of the informants considered relatively stable, because the role of government in case of fire, such as crop failure and market operation.

5.2.10. Public Service

Assessment of the public service the Department of Commerce relative to the various stakeholders. Assume that there is already good, but there is also the rate is still less. Most informants expect the trade to improve public services, both in terms of Human Resources (HR), interaction, and the provision of devices that support communication activities.

In terms of human resources, the Department of Commerce personnel are expected to provide a reliable and able to communicate with the employers both in and outside the country. They have demanded a fluent foreign language. These needs met through staff recruitment and training of intensive knowledge and experience so that they can be more improved. Because according to some informants, the culture must be embedded within the Department of Commerce personnel

Public service in terms of IT also needs to be improved. Need to have the central business information through electronic media both local and national continuously every day.

Informants expect an increase in the Department of Trade performance through online communication, both at the central and local governments. The operators can monitor the development of trade in the region. Thereby entrepreneurs can see market opportunities in the region. As is known that every day at 4pm, the Department of Commerce provides information on price monitoring reports and the distribution of basic needs. However, the public concerned (such as journalists) have their own info is copying. In fact every day of the same except that some of the price change. While this information can be entered to the website.

5.3. Perception of Media

5.3.1. Media information

On socialization and dissemination of information, a number of informants believed that the use of television media, the Internet, and newspapers are considered most effective in propagate message. However, the Department of Commerce need to do in the form of a mixture of media (media mix) could be through some medium.

Television has seen the benefits rather than other media. That advantage comes up because television has its effectiveness in shaping the experience and effect on the social reality, which is being perceived to the audiences. The advantages of television news as more images are believed to contain more than capable to construct impression words. Similarly, television is the most effective media in the message.

Internet is considered to be effective in information dissemination and socialization. But not all the public can take advantage of internet technology, so this will need to have another channel that can be roughly curiosity meet public about the Department of Commerce. However, during this the internet is still regarded as the most effective media and cheaper in the dissemination or dissemination.

While the print media (newspapers) do not only have direct effects on individuals, but also affect the culture, collective knowledge, and norms and values of a society. Mass media can also present a set of images (images), ideas, and evaluation for the audience that can be made by reference behavior. Therefore, depending on the audience into the mass media as a source of information for knowledge of, and orientation to, and what happens in the community.

CHAPTER VI

CONCLUSION and RECOMMENDATIONS

6.1. Conclusion

1. On the cognition dimension, from the 13 aspects proposed, it is seen the respondents highly knowledge about the protection on domestic product, which reach the mean 4,35, due to the respondents assume those aspects are very important to be handle and accommodate by the Ministry of Trade. Meanwhile, the Export Price Determination Benchmark is less known by the respondents and also assumed as less important in their views (mean 3.62)
2. Affectionately, the Increased Use of Domestic Products aspect got bigger attention in the perception of the respondents (mean 3.58). Meanwhile, Foreign Trade licensing with the mean value 3.09 indicates that respondents have the less perception of the Ministry of Trade's attitude in running the licensing aspect.
3. Meanwhile in the dimensions of conation, the high assessment from respondents of Usage of Domestic Products Improvement which is implemented is run good enough by Ministry of Trade (mean 3.08). Then, Foreign Trade licensing with mean value 2.72 indicates that respondents have behavior perception of Ministry of Trade which is less on this permission.
4. Media channel the mostly used by public to learn about some aspects of trade are concentrated on the three media channels, such as: Television, Newspapers and the Internet. Although in some aspects there is a little difference in the rating number, but these three line media channels are still surpass other media, i.e. selected TV 28.81%, newspaper 24% and internet 10.3%. Public also felt that the three media channels are deemed as the most effective medium for dissemination and socialization, as follows: 38.12% selected television, newspaper 21.43%, and internet 9.96%.

6.2. Recommendation

From the audit communication activities of the Ministry of Trade public relation, there are some number of recommendations that can be raised. These recommendations are intended primarily to increase the role of communication and information of Ministry of Trade.

1. A decrease in the perception of the average cognition (mean 4.04) to affection (mean 3.36) and behavior (mean 2.96), the awareness is quite good. However, Ministry of Trade needs to take action to improve its roles of some aspects that have the lowest average value, both in cognition in form of Export Price Determination aspect (mean 3.62) and the affection and conation that is the licensing aspects of Foreign Trade (mean 2.72). In this case, the Export Price Determination aspect need to be more socialized to the public, while the handling of Foreign Trade Permission will need to be evaluated again, especially the system and mechanism.
2. Seeing the public high perception of the protection and use of domestic products, both at the cognition and affection levels, then Ministry of Trade need to develop this aspect to be the the icon aspects of priority. These aspects program can be used as Ministry of Trade excellent program in carrying trade sector.
3. To change public attitudes and behavior, the usage of domestic products dissemination and promotion should not stop at the national campaign, but resumed with the socialization that is local. Here, need to be considered the potential functions of Public Relations (PR). Basically, this dissemination needs to be supported by activities that emphasize more of interpersonal communication or interactive communication. Activities that can be considered are 1) special event that takes the theme "I Love Domestic Product", such as Indonesia Bazar events, music, painting competitions, sports and others.
4. To support the dissemination activities that are public, publication materials need to be prepared to support the socialization theme, such as the use of local products. That publication material should be through television, newspapers and internet. The consideration of selection of publication material is the assumption that

nowadays public needs information widely (television) and more detail (newspaper and internet). As an important consideration is how to make the materials publication as persuasive as possible.

5. As a last recommendation, region offices need to be actively involved in the communication and information program of the Ministry of Trade. Their involvement is highly expected from the preparation to the implementation of communication strategies. In the preparation phase strategy, the role of agencies is to identify potential local products to be persuaded. Meanwhile, in the implementation phase, the government offices can be a facilitator. Furthermore, office parties can be a major organized socialization program. Here, not only official role as a facilitator, but also other parties that operate the main concept which is organized together with governments, communities, corporations, and universities.